PORT OF PORTLAND

August 20, 2001

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Ms. Judy Linton
Regulatory Project Manager
Attn: Operations, Construction and Readiness Division
Portland District - CENWP-C0-GP
U.S. Army Corps of Engineers
333 S.W. First Avenue
P.O. Box 2946
Portland, Oregon 97208-2946

Via Fax and Mail

Re: Port of Portland Clean Water Act Permit Applications 2001-00688 and 2001-00689 Maintenance Dredging of Marine Terminals 2 and 5, Willamette River

Dear Judy:

USEPA SF

I am writing to provide you with the Port of Portland's response to the August 9, 2001 comments (copy attached to this response), on the above Permit Applications, sent to you by Mr. Eric Blischke of the Oregon Department of Environmental Quality ("DEQ"). We appreciate the opportunity you have afforded the Port to respond and we ask that the U.S. Army Corps of Engineers ("Corps") consider our response in the decision process on the Applications and provide copies of our response to any other regulatory agencies that may review the DEQ comments.

At the outset, we should note that we have discussed DEQ's August 9th letter with Mr. Blischke and with Region X of the U.S. Environmental Protection Agency ("EPA"). Consequently, our response, in part, reflects those conversations. In addition, as we have advised you by telephone, we would like the opportunity to discuss the issues raised by DEQ's comments in a meeting with you as soon as practicable.

The letter from Mr. Blischke sets forth general comments "for all dredging activities taking place between Willamette Falls and the confluence of the Willamette and Columbia Rivers" and specific "recommendations for Permit Applications 2001-00688 and 2001-00689." In response the Port provides the following:

DEQ's Comment: Mr. Blischke states in the second full paragraph of the August 9, 2001 letter:

"Due to the potential environmental impacts from dredging in or near areas of sediment contamination, it is imperative that the Portland Harbor Team has an active role prior to, during and after implementation of dredging activities within the lower Willamette River."

Response: First we should note that the application is for Permits authorizing maintenance dredging at existing in-use Marine Terminals and not for Permits authorizing dredging for the purposes of remediation of contaminated sediments within the Lower Willamette Superfund Site. Second, the Corps is a member of the "Portland Harbor Team" referenced in the comment, as is DEQ, EPA, and NMFS and all of those agencies, plus DSL have seen or will see complete copies of the Applications now pending before the Corps and DSL.

DEQ's comments and DEQ's role in issuing the water quality certifications necessary for the maintenance dredging are "active roles" prior to implementation of dredging activities. Although, the process for coordination of agency roles between the various Portland Harbor Team members in regards to dredging projects has not been formalized, the current drafts of EPA's Administrative Order on Consent ("AOC") and the Statement of Work for the Remedial Investigation/Feasibility Study ("SOW") will require notification of EPA regarding dredging projects and subsequent EPA coordination of any relevant Portland Harbor Team review of dredging permit applications. (See SOW, Section 6: Task 4 – Dredging Coordination – Current Draft.) In the case of the two Applications now pending before the Corps, the Port has previously notified and provided complete copies of the Applications to EPA.

DEO Comment:

"In general, all dredging activities taking place between Willamette Falls and the confluence of the Willamette and Columbia Rivers must include: Appropriate characterization of the material to be dredged and the dredge horizon following dredging...."

"Specifically, DEQ recommends that Permit Applications 2001-00688 and 2001-00689 be modified to include the following provisions: . Require development of appropriate characterization plans for the material to be removed as well as the post dredging dredge horizon..."

Response: As detailed in the Applications, characterization of the dredged material is being performed using the Dredge Material Evaluation Framework ("DMEF") for the Lower Columbia River Management Area ("LCRMA"). This framework was developed by the Army Corps of Engineers, the Environmental Protection Agency (EPA), the Washington Department of Ecology (DOE), and the Oregon Department of Environmental Quality (DEQ). The characterization conducted on this specific upcoming project does include both appropriate characterization of the material to be removed and the post dredge horizon. The DMEF is the currently accepted practice in the Willamette for characterizing dredge material in conjunction with maintenance dredging and in compliance with the Clean Water Act. The characterization report for the upcoming dredging events at Terminal 2 and 5 will be submitted to the Regional Management Team ("RMT") (Corps, EPA, DEQ), which is the accepted practice for maintenance dredging

projects in Oregon. The characterization report is scheduled for submittal to the RMT the week of August 20, 2001. Due to the limited dredging window and construction schedules, we will be asking for review comments within two weeks.

DEQ Comment: DEQ has stated that the proposed dredging must include "[a]ppropriate controls to prevent releases of contamination to the environment during implementation of the dredging project."

Response: Controls to prevent releases of contamination during dredging will be performed according to the Clean Water Act § 401 water quality Certification to be issued by DEQ. In addition, these Applications together with the completed Biological Assessments will be reviewed by NMFS. For details concerning the specific controls and the proposed dredging operations please see Section 2 of both Applications.

DEQ Comment: DEQ's comments include the suggestion that there should be "[p]roper management of the dredged material following removal." DEQ also stated that the Permits should include a provision as follows: "Require development of appropriate management plans addressing the final disposition of the dredged material."

Response: Dredging which occurred at Marine Terminals 5 and 6 in December of 2000 and January of 2001, pursuant to issued and effective Permits, included implementation of a post-dredging material management plan that was reviewed and approved by DEQ. The Sampling and Analysis Plan submitted to the RMT (Corps, EPA, DEQ) for the upcoming dredging events at Terminal 2 and 5 addresses final disposition of dredged materials which will be based on an appropriate risk evaluation for beneficial reuse. Consequently, it is not appropriate to include in these Permits the language suggested here by DEQ.

DEQ Comment: DEQ's comments include the suggestion that there should be "[c]oordination with the Portland Harbor Team." DEQ also stated that the Permits should include a provision as follows:

"Require the submittal of all plans and data to the Portland Harbor Team. This information should be submitted far enough in advance of the planned dredging activity to allow adequate Portland Harbor Team review time."

Response: As described in a response listed above, the process for coordination of agency roles between the various Portland Harbor Team members in regards to dredging projects has not been formalized, the current drafts of EPA's Administrative Order on Consent ("AOC") and the Statement of Work for the Remedial Investigation/Feasibility Study ("SOW") will require notification of EPA regarding dredging projects and subsequent EPA coordination of any relevant Portland Harbor Team review of dredging permit applications. (See SOW, Section 6: Task 4 – Dredging Coordination – Current Draft.) In

the case of the two Applications now pending before the Corps, the Port has previously notified and provided complete copies of the Applications to EPA.

DEQ Comment: DEQ's comments include the suggestion that there should be "[a]n assessment of the dredging project on the Portland Harbor RI/FS." DEQ also stated that the Permits should include a provision as follows:

"Require the submittal of sufficient information such that the impact of the dredging project on the Portland Harbor RI/FS can be evaluated. This information will be used by EPA in the design and implementation of the Portland Harbor remedial investigation and feasibility study (RI/FS) and cleanup activities."

Response: Information collected during the maintenance dredging process, including sediment data, will be available for the Portland Harbor RI/FS team to use during the RI/FS process. Section 2 of the applications describes the procedures that will be implemented to minimize the impacts, if any, from the maintenance dredging projects and the Water Quality Monitoring plans will further describe the dredging process used and how it will be performed in compliance with the Clean Water Act. As described in the Applications, a Biological Assessment for the proposed activities in each of the permit applications was completed and will be provided to the COE to be used in the consultation process with the NMFS and USFW.

DEQ Comment: DEQ suggests including within the Permits the following language:

"Require development of appropriate management plans addressing implementation of the dredging project. Based on the permit application, the material will be going to the rehandling facility located at Terminal 6. A description of how water will be managed from potentially contaminated sediments, how the sediments will be placed, etc. should be submitted for review prior to implementation of the dredging projects."

Response: As detailed in the Applications, Water Quality Management Plans will be developed to address protection of water quality during each dredging project, including placement and dewatering of the dredge materials in the Port's rehandle facility. This Water Quality Management Plan will be reviewed by DEQ.

DEQ Comment: DEQ's comments include the suggestion that "information on any necessary consultation under the Endangered Species Act (ESA) also be provided to the Portland Harbor Team."

RESPONSE: As described in a responses listed above, the process for coordination of agency roles between the various Portland Harbor Team members in regards to dredging projects has not been formalized, the current drafts of EPA's Administrative Order on Consent ("AOC") and the Statement of Work for the Remedial Investigation/Feasibility

Study ("SOW") will require notification of EPA regarding dredging projects and subsequent EPA coordination of any relevant Portland Harbor Team review of dredging permit applications. (See SOW, Section 6: Task 4 – Dredging Coordination – Current Draft.) In the case of the two Applications now pending before the Corps, the Port has previously notified and provided complete copies of the Applications to EPA. Also as described in a previous response, a Biological Assessment for the proposed activities in each of the permit applications was completed and will be provided to the COE to be used in the consultation process with the NMFS and USFW.

Closing

As you know, the Port needs to obtain Permits from the Corps, Permits from the Oregon Division of State Lands ("DSL") and Water Quality Certifications from DEQ as soon as possible in order to contract for and conduct the needed maintenance dredging beginning on the first of December 2001 – the start of the Willamette "in-water-work-window". As demonstrated by our responses to Mr. Blischke's comments, we believe that we have met requirements for the Permit Applications and request that the comments from DEQ not become the source of, or reason for, regulatory delay at the National Marine Fisheries Service ("NMFS"), the U.S. Fish and Wildlife Service ("USFWS"), DSL, DEQ or the Corps.

Thank you for your attention to this matter.

Sincerely,

Padraic W. Quinn

Environmental & Safety Manager

Marine Operations

Attachment

Mike Rosen, NWR/DEQ Cc: Kim Cox, NWR/DEQ Tom Gainer, NWR/DEQ Kurt Burkholder, DOJ Lynne Perry, DOJ Tom Melville, WQ/DEQ Chip Humphrey, EPA Wally Reid, EPA Charles Ordine, EPA John Malek, EPA Michael Gross, COE Jeremy Buck, USFW Nick Iadanza, NOAA Helen Hillman, NOAA Kirsten Erickson, NOAA Brad Bye, Warm Springs Anne Watanabe, Yakama Paul Ward, Yakama Audie Huber, Umatilla Tom Downey, Siletz Billy Barquin, Siletz Patti Howard, Nez Perce Kathleen Feehan, Grande Ronde Rick Kepler, ODFW



VIA FACSIMILE - Hard Copy to Follow

Department of Environmental Quality

Northwest Region 2020 SW Fourth Avenue Suite 400 Portland, OR 97201-4987 (503) 229-5263 Voice TTY (503) 229-5471

August 9, 2001

Ms. Judy Linton U.S. Army Corps of Engineers P.O. Box 2946 Portland, OR 97208-2946

RE: Permit Applications 2001-00688 and 2001-00689

Dear Ms. Linton

The Oregon Department of Environmental Quality (DEQ) Voluntary Cleanup and Portland Harbor Section is submitting the following comments on the U.S. Army Corps of Engineers Permit Applications 2001-00688 and 2001-00689. Permit Applications 2001-00688 and 2001-00689 authorize dredging activities at Port of Portland Terminals 2 and 5. These two Port of Portland facilities are located on the Willamette River between Willamette Falls and the confluence of the Willamette and Columbia rivers. This reach of the Willamette River is adjacent to the Portland Harbor Superfund Site as defined in the listing package prepared by the U.S. Environmental Protection Agency (EPA) and is considered within the Portland Harbor study area.

A multi-agency team is working on the Portland Harbor Superfund Site including DEQ, EPA, Tribes and Natural Resource Trustee agencies. EPA is the lead agency for investigating contaminated sediments through the Portland Harbor remedial investigation and feasibility study (RI/FS). DEQ is the Support Agency for this in-water sediment work. Due to the potential environmental impacts from dredging in or near areas of sediment contamination, it is imperative that the Portland Harbor Team has an active role prior to, during and after implementation of dredging activities within the lower Willamette River.

In general, all dredging activities taking place between Willamette Falls and the confluence of the Willamette and Columbia Rivers must include:

- Appropriate characterization of the material to be dredged and the dredge horizon following dredging.
- Appropriate controls to prevent releases of contamination to the environment during implementation of the dredging project.
- Proper management of the dredged material following removal.
- Coordination with the Portland Harbor Tearn.
- An assessment of the dredging project on the Portland Harbor RI/FS.

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Ms. Judy Linton
U.S. Army Corps of Engineers
August 9, 2001

Specifically, DEQ recommends that Permit Applications 2001-00688 and 2001-00689 be modified to include the following provisions:

- Require development of appropriate characterization plans for the material to be removed as
 well as the post dredging dredge horizon. Both the Terminal 2 and 5 projects indicate that
 sediment characterization is underway. We would like to review this data as soon as it is
 available.
- Require development of appropriate management plans addressing implementation of the
 dredging project. Based on the permit application, the material will be going to the
 rehandling facility located at Terminal 6. A description of how water will be managed from
 potentially contaminated sediments, how the sediments will be placed, etc. should be
 submitted for review prior to implementation of the dredging projects.
- Require development of appropriate management plans addressing the final disposition of the dredged material.
- Require the submittal of all plans and data to the Portland Harbor Team. This information should be submitted far enough in advance of the planned dredging activity to allow adequate Portland Harbor Team review time.
- Require the submittal of sufficient information such that the impact of the dredging project
 on the Portland Harbor RI/FS can be evaluated. This information will be used by EPA in the
 design and implementation of the Portland Harbor remedial investigation and feasibility
 study (RI/FS) and cleanup activities.

In addition, we request that information on any necessary consultation under the Endangered Species Act (ESA) also be provided to the Portland Harbor Team.

The above comments are submitted in conjunction with DEQ's role as support agency for the Portland Harbor Superfund Site. We appreciate the opportunity to provide comments on Permit Applications 2001-00688 and 2001-00689 and consider this as a first step in enhanced coordination between the Portland Harbor Team and the U.S. Army Corps of Engineers. DEQ welcomes further discussion on the coordination of dredging activities within the lower Willamette River.

If you have any questions about these comments, please contact me at (503) 229-5648.

Sincerely,

Eric Blischke

Portland Harbor Technical Coordinator Voluntary Cleanup and Portland Harbor